Amendments to the Specification:

Please amend the paragraph **[0036]** as follows:

[0036] In order to provide the opacity needed for fabric decoration, the coating must remain substantially on the surface of the fabric. If, in the transfer process, the heat and pressure cause the coating to become substantially imbedded into the fabric, the dark color of the fabric shows through, giving the transferred art a gray or chalky appearance. The coating should therefore resist softening to the point of becoming fluid at the desired transfer temperature. Recalling that the peelable film which supports the opaque coating must melt and flow into the fabric at the transfer temperature (i.e., it is melt-flowable), the relationship needed between the peelable film and the opaque coating becomes clear. The opaque coating must not become fluid at or below the softening point of the peelable film. The terms "fluid" and "softening point" are used here in a practical sense. By fluid, it is meant that the coating would flow into the fabric easily. The term "softening point" can be defined in several ways, such as a ring and ball softening point. The ring and ball softening point determination is done according to ASTM E28. A melt flow index is useful for describing the flow characteristics of peelable polymers. For example, a melt flow index of from 0.5 to about 800 under ASTM method D 1238-82 is specified for the peelable film layer of the present invention. For the opaque layer, the melt flow index should be less than that of the peelable film layer by a factor of at least ten, preferably by a factor of 100, and most preferably by a factor of at least 1000. Many types of extrudable polymers could be used in the opaque coating, the choice depending primarily on other requirements one may have in the decorated fabric. For example, polyurethanes can provide excellent water resistance, durability and flexibility. Polyolefins such as polypropylene and polyethylene are more economical but not as durable and do not recover as well when stretched, but would serve for many purposes. Other useful polymer types include polyesters, some of which have properties similar to polyurethanes and some of which are very stiff. Still others include polyamides such as nylon 6 and nylon 12. Still other useful polymers include copolymers such as ethylenevinylacetate and ethylenemethacrylic acid ionomers.